

PERFORMANCE OVERSIGHT COMMITTEE MEETING

Thursday, January 18, 2018

The meeting was called to order at 9:00 a.m. in Port Authority's Neal H. Holmes Board Room located on the fifth floor of the Heinz 57 Center with the following in attendance:

Board Committee Members

Michelle Zmijanac, Chair
Representative Dom Costa
Jeff Letwin
Jennifer Liptak

Other Board Member

John Tague
Ann Ogoreuc

1. Approval of Minutes:

Minutes from the November 16, 2017 Performance Oversight Committee meeting were approved.

2. Proposed Resolutions:

There were four resolutions reviewed at the meeting for consideration:

First, Mr. Trona reviewed 10 procurement items and the Performance Oversight Committee found the bids to be in accordance with the Authority's procurement policies and procedures, the prices to be fair and reasonable, and the bidders to be responsive and responsible. The Committee therefore recommends the 10 items outlined in the resolution for award for the total amount of approximately \$4.3 million.

The next resolution was presented by Mr. Wargo. He requested authorization to award a construction contract to upgrade the existing electrical systems at six radio or microwave tower sites and the South Hills Parking Garage, as well as replacing the emergency batteries at five Traction Power Substations.

Mr. Wargo explained that after review of the bids received, it was determined that the bid of Merit Electrical Group, Inc., in the amount of \$979,000, is the lowest responsive bid from a responsible bidder meeting the Authority's specifications for the contract.

The Performance Oversight Committee agreed to recommend awarding the contract to Merit Electrical in that amount, subject to completing all pre-award requirements.

The next resolution was presented by Mr. Adams. He requested authorization to enter into an agreement with Commercial Consulting to provide Drug and Alcohol Compliance Program services.

He explained that services under the proposed agreement will include, but not limited to, program support services, mobile collection, collection facilities, medical specialists, laboratory services, a medical review officer, a substance abuse professional, safety-

sensitive contract compliance, and training program development and implementation. After review and evaluation of the proposals received, it was determined that Commercial Consulting was the highest rated proposer to perform the services.

The Performance Oversight Committee agreed to recommend awarding the agreement to Commercial Consulting, in an amount not-to-exceed \$1,327,300, for an initial three-year period, with the option to extend the term of the agreement up to an additional two years at the sole discretion of the Authority.

Mr. Schenk presented the final resolution authorizing the Authority to apply for Operating and Capital grants and enter into agreements for calendar year 2018.

He explained that on an annual basis, the Authority applies for grants with various federal, state and local governments such as the FTA, the Federal Department of Homeland Security, PennDot, Allegheny County and the Allegheny County Regional Asset District. From time to time, the Authority is also eligible for various discretionary grants that may become available throughout the year.

In many instances, the time period for developing and submitting the application for a grant is limited requiring staff to move promptly in order to timely submit the application for the available funds.

This resolution will allow staff to submit applications for the grants that become available in 2018 in a timely fashion and to enter into the necessary agreements to receive the grants.

Mr. Schenk noted that this resolution also requires the Authority's chief financial officer to provide regular reports to the Performance Oversight Committee of all grants applied for and awarded during 2018.

3. Financial Report:

Mr. Schenk continued reporting on various financial results. He reported that the total operating revenues halfway through the fiscal year were approximately \$3.7 million higher than budget, principally due to higher passenger revenues. Mr. Schenk also reported that total expenses midway through the fiscal year were approximately \$11.98 million under budget and subsidies were approximately \$757,000 over budget.

With no further business, the meeting was adjourned.